

103^D CONGRESS
2^D SESSION

H. R. 5269

To encourage liberalization inside the People's Republic of China and Tibet.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 7, 1994

Mr. LANTOS (for himself, Mrs. UNSOELD, and Ms. PELOSI) introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To encourage liberalization inside the People's Republic of China and Tibet.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. STATEMENT OF PRINCIPLES.**

4 (a) PURPOSE.—It is the purpose of this Act to create
5 principles governing the conduct of United States eco-
6 nomic cooperation projects in the People's Republic of
7 China and Tibet.

8 (b) PRINCIPLES.—It is the sense of the Congress that
9 any United States economic cooperation project in the
10 People's Republic of China or Tibet should adhere to the
11 following principles:

1 (1) Suspend the use of all goods, wares, arti-
2 cles, and merchandise that are mined, produced, or
3 manufactured, in whole or in part, by convict labor
4 or forced labor if there is reason to believe that the
5 material or product is produced or manufactured by
6 such convict or forced labor, and refuse to use forced
7 labor in the project.

8 (2) Seek to ensure that political or religious
9 views, sex, ethnic or national background, involve-
10 ment in political or labor activities or nonviolent
11 demonstrations, or association with suspected or
12 known dissidents will not prohibit hiring, lead to
13 harassment, demotion, or dismissal, or in any way
14 affect the status or terms of employment in the
15 project. The United States parent company of the
16 United States economic cooperation project should
17 not discriminate in terms or conditions of employ-
18 ment in the project against persons with past
19 records of arrests or internal exile for nonviolent
20 protest or membership in unofficial organizations
21 committed to nonviolence.

22 (3) Ensure that methods of production used in
23 the project do not pose an unnecessary physical dan-
24 ger to workers and neighboring populations and
25 property and that the project does not unnecessarily

1 risk harm to the surrounding environment, and con-
2 sult with community leaders regarding environ-
3 mental protection with respect to the project.

4 (4) Strive to use business enterprises that are
5 not controlled by the Government of the People's
6 Republic of China or its authorized agents and de-
7 partments as potential partners in the project.

8 (5) Prohibit any military presence on the prem-
9 ises of the project.

10 (6) Undertake to promote freedom of associa-
11 tion and assembly among the employees of the
12 project. The United States economic cooperation
13 project should protest any infringement by the Gov-
14 ernment of the People's Republic of China of these
15 freedoms to the appropriate authorities of that Gov-
16 ernment and to the International Labor Organiza-
17 tion, which has an office in Beijing.

18 (7) Use every possible channel of communica-
19 tion with the Government of the People's Republic
20 of China to urge that Government to disclose pub-
21 licly a complete list of all those individuals arrested
22 since March 1989, to end incommunicado detention
23 and torture, and to provide international observers
24 access to all places of detention in the People's Re-
25 public of China and Tibet and to trials of prisoners

1 arrested in connection with the pro-democracy
2 events of April through June of 1989 and the pro-
3 democracy demonstrations which have taken place in
4 Tibet since 1987.

5 (8) Discourage or undertake to prevent compul-
6 sory political indoctrination programs from taking
7 place on the premises of the operations of the
8 project.

9 (9) Promote freedom of expression, including
10 the freedom to seek, receive, and impart information
11 and ideas of all kinds, regardless of frontiers, either
12 orally, in writing or in print, in the form of art, or
13 through any media. To this end, the United States
14 economic cooperation project should raise with ap-
15 propriate authorities of the Government of the Peo-
16 ple's Republic of China concerns about restrictions
17 on importation of foreign publications.

18 (c) PROMOTION OF PRINCIPLES BY OTHER NA-
19 TIONS.—The Secretary shall forward a copy of the prin-
20 ciples set forth in subsection (b) to the member nations
21 of the Organization for Economic Cooperation and Devel-
22 opment and encourage them to promote principles similar
23 to these principles.

1 **SEC. 2. REGISTRATION REQUIREMENT.**

2 (a) IN GENERAL.—Each United States parent com-
3 pany conducting a United States economic cooperation
4 project in the People’s Republic of China or Tibet shall
5 register with the Secretary and indicate whether such
6 company agrees to implement the principles set forth in
7 section 1(b). No fee shall be required for registration
8 under this subsection.

9 (b) EFFECTIVE DATE.—The registration require-
10 ment of subsection (a) shall take effect 6 months after
11 the date of the enactment of this Act.

12 **SEC. 3. REPORTING REQUIREMENTS.**

13 (a) REPORT.—Each United States parent company
14 conducting a United States economic cooperation project
15 in the People’s Republic of China or Tibet shall report
16 to the Secretary describing such company’s adherence to
17 the principles. Such company shall submit a completed re-
18 porting form furnished by the Secretary. The first report
19 shall be submitted not later than 1 year after the date
20 on which the national registers under section 2 and not
21 later than the end of each 1-year period occurring there-
22 after.

23 (b) REVIEW OF REPORT.—The Secretary shall review
24 each report submitted under subsection (a) and determine
25 whether the United States parent company submitting the
26 report is adhering to the principles. The Secretary may

1 request additional information from the United States
2 parent company and other sources to verify the informa-
3 tion contained in the report submitted by the company.

4 (c) ANNUAL REPORT.—The Secretary shall submit a
5 report to the Congress and to the Secretariat of the Orga-
6 nization for Economic Cooperation and Development de-
7 scribing the level of adherence to the principles by United
8 States parent companies subject to the reporting require-
9 ment of subsection (a). This report shall be submitted not
10 later than 2 years after the date of the enactment of this
11 Act and not later than the end of each 1-year period occur-
12 ring thereafter.

13 **SEC. 4. EXPORT MARKETING SUPPORT.**

14 (a) SUPPORT.—A Federal agency may intercede with
15 a foreign government or foreign national regarding export
16 marketing activity in the People’s Republic of China or
17 Tibet on behalf of a United States parent company subject
18 to the reporting requirements of section 3(a) only if that
19 company adheres to the principles.

20 (b) EFFECTIVE DATE.—Subsection (a) shall take ef-
21 fect 2 years after the date of enactment of this Act.

22 **SEC. 5. DEFINITIONS.**

23 For purposes of this Act—

1 (1) the terms “adhere to the principles”, “ad-
2 hering to the principles” and “adherence to the prin-
3 ciples” mean—

4 (A) agreeing to implement the principles
5 set forth in section 1(b);

6 (B) implementing those principles by tak-
7 ing good faith measures with respect to each
8 such principle; and

9 (C) reporting accurately to the Secretary
10 on the measures taken to implement those prin-
11 ciples;

12 (2) the term “intercede with a foreign govern-
13 ment or foreign national” includes any contact by an
14 officer or employee of the United States with offi-
15 cials of any foreign government or foreign national
16 involving or contemplating any effort to assist in
17 selling a good, service, or technology in the People’s
18 Republic of China or Tibet, except that such term
19 does not include multilateral or bilateral govern-
20 ment-to-government trade negotiations intended to
21 resolve trade issues which may affect United States
22 parent companies who do not adhere to the prin-
23 ciples;

24 (3) the term “organized under the laws of the
25 United States” means organized under the laws of

1 the United States, any State of the United States,
2 the District of Columbia, the Commonwealth of
3 Puerto Rico, the Commonwealth of the Northern
4 Mariana Islands, or any other territory or possession
5 of the United States;

6 (4) the term “Secretary” means the Secretary
7 of State;

8 (5) the term “United States economic coopera-
9 tion project” means—

10 (A) an equity joint venture, a cooperative
11 joint venture, or a wholly foreign-owned enter-
12 prise established under the laws of the People’s
13 Republic of China, in which—

14 (i) a corporation, partnership, wholly-
15 owned subsidiary, or other business asso-
16 ciation organized under the laws of the
17 United States is an investor, or

18 (ii) a corporation, partnership, or
19 other business association organized under
20 the laws of a country other than the
21 United States or under the laws of a terri-
22 tory or possession of a country other than
23 the United States, which is wholly owned
24 by a corporation, partnership, or other

1 business association organized under the
2 laws of the United States, is an investor,
3 and which employs more than 50 individuals in
4 the People's Republic of China or Tibet; or

5 (B) a branch office or representative of-
6 fice—

7 (i) of a corporation, partnership, whol-
8 ly-owned subsidiary, or other business as-
9 sociation organized under the laws of the
10 United States, or

11 (ii) of a corporation, partnership, or
12 other business association organized under
13 the laws of a country other than the Unit-
14 ed States or under the laws of a territory
15 or possession of a country other than the
16 United States, which is wholly owned by a
17 corporation, partnership, or other business
18 association organized under the laws of the
19 United States,

20 which employs more than 25 employees in the
21 People's Republic of China or Tibet; and

22 (6) the term “United States parent company”
23 means a corporation, partnership, or other business
24 association organized under the laws of the United
25 States which is—

1 (A) the direct investor in a United States
2 economic cooperation project as described in
3 paragraph (5)(A)(i), or the sole owner of the in-
4 vestor in a United States economic cooperation
5 project as described in paragraph (5)(A)(ii); or
6 (B) the registrant in the People's Republic
7 of China of a branch office or representative of-
8 fice as described in paragraph (5)(B)(i), or the
9 sole owner of the registrant of a branch office
10 or representative office as described in para-
11 graph (5)(B)(ii).

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